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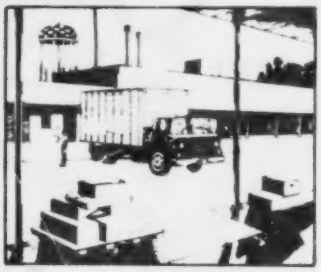

CURRENT BUSINESS REPORTS

BW-84-13

1984 Wholesale Trade

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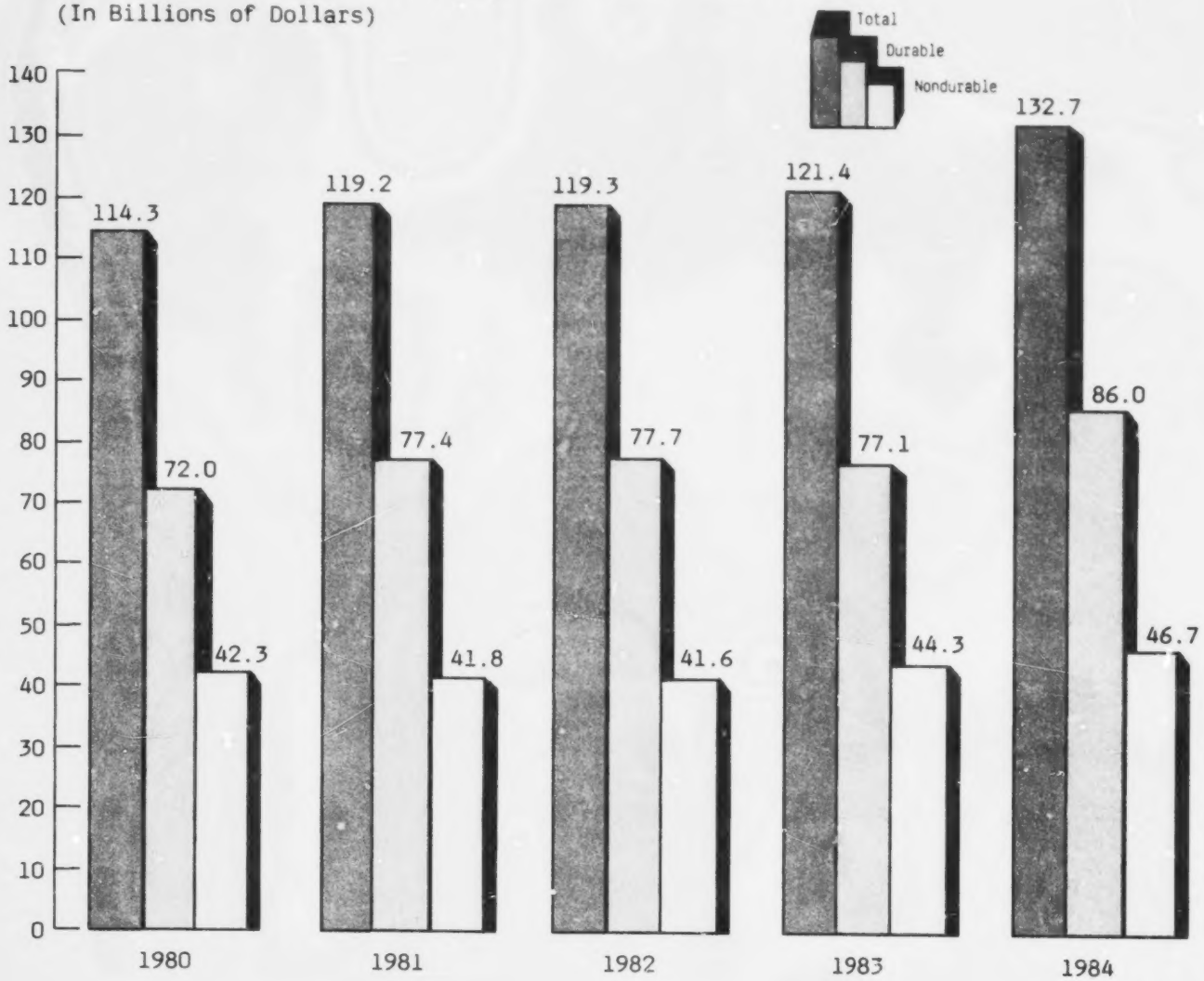
26

Annual Sales and Year-End Inventories, Purchases, and Gross Margin Estimates of Merchant Wholesalers

Estimated End-of-Year Inventories of All Merchant Wholesalers and of Durable and Nondurable Goods Wholesalers: 1980 to 1984

(In Billions of Dollars)



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ACKNOWLEDGMENTS. This report was prepared in the Business Division under the general direction of **James M. Aanestad**, Assistant Division Chief for Current Wholesale and Services Programs. Planning, implementation, and compiling of this report were under the supervision of **Shirley Roberts**, Chief of the Current Wholesale Branch, assisted by **Edward Murphy, Elaine Neal, Mary McMahon, Mary Harris, Brian Schwartz, Lois Denham**, and **Shirley Farley**, with additional contributions provided by **Michael Brown, Sylvia Owens, and Mary O'Connor**.

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CURRENT BUSINESS REPORTS

BW-84-13

1984 Wholesale Trade

Annual Sales and Year-End Inventories, Purchases, and Gross Margin Estimates of Merchant Wholesalers

U.S. Department of Commerce
Malcolm Baldrige, Secretary
Clarence J. Brown, Deputy Secretary
Sidney Jones, Under Secretary for Economic Affairs

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John G. Keane,
Director

Issued July 1985

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This report and the *Monthly Wholesale Trade* report are available on a single subscription from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, at $18 per year. Add $4.50 for each subscription to a foreign address. Postage stamps not acceptable, currency submitted at sender's risk. Remittances from foreign countries must be by international money order or by a draft on a U.S. bank. Single copies of this report are for sale by Customer Services, Data User Services Division, Bureau of the Census, Washington, D.C. 20233 at $2.25 each.

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The data shown in this report have been revised to reflect the results of the 1982 Census of Wholesale Trade. Additional revised data are shown in the report *Revised Monthly Wholesale Trade, Sales and Inventories: January 1975 Through December 1984* which was issued March 1985. Because of improved data analysis and reduced sampling variability, data for lumber and other construction materials (SIC 503) are now shown in this report. These data are not adjusted for price changes.

Annual Sales. Total sales of all merchant wholesalers in the United States were estimated at $1,360.9 billion in 1984, an increase of 12.9 percent from the revised levels of 1983. Total sales in the durable goods group were up 17.8 percent from last year with all trade groups showing an increase. The largest increase in the durable goods group was reported in electrical goods, up 29.0 percent from last year. Total sales of the nondurable goods were 9.2 percent above the 1983 revised levels. Most nondurable trade groups showed an increase above previous year sales levels, with the most significant increase reported in paper and paper products, up 20.5 percent.

Inventories. Inventories of merchant wholesalers as of December 31, 1984, were valued at $132.7 billion, up 9.3 percent from the previous year-end revised inventories of $121.4 billion. Stocks of wholesalers in the durable goods trades totaled $86.0 billion at the end of 1984, while the inventory levels in the nondurable goods trades amounted to $46.7 billion. The total durable trade group showed an increase from the previous year inventory levels. The largest increase was reported in electrical goods, up 36.8 percent. The total nondurable trade group as a whole showed an increase from last year.

Sales/Inventory Ratio. Annual sales of merchant wholesalers in 1984 were 10.3 times year-end inventories compared to the revised 9.9 ratio in 1983. The ratio of sales to year-end inventories for durable goods was 7.1 for 1984 and 6.7 for 1983. The largest change in sales/inventory ratios for the durable goods was shown in metals and minerals, except petroleum with a ratio of 7.0 in 1984 in contrast to a ratio of 6.0 in 1983.

The sales/inventory ratio for nondurable goods was 16.1 in 1984 and 15.5 in 1983. The most significant change in sales/inventory ratios for nondurable goods was noted in farm-product raw materials with a ratio of 15.2 in 1984 compared to a ratio of 13.6 a year ago.

Table 1. Estimated Sales, Inventories, and Sales/Inventory Ratios of Merchant Wholesalers, by Kind of Business: 1984 and 1983

SIC code	Kind of business	Sales[1] (millions of dollars)		Percent change	Inventories[2] (millions of dollars)		Percent change	Sales/inventory ratios	
		1984	1983	1984/1983	1984	1983	1984/1983	1984	1983
	Merchant wholesalers, total.....	1,360,853	1,205,093	+12.9	132,733	121,407	+9.3	10.25	9.93
50	Durable goods, total.....	609,210	516,964	+17.8	86,024	77,099	+11.6	7.08	6.71
501	Motor vehicles and automotive parts and supplies.....	121,188	101,984	+18.8	14,941	12,915	+15.7	8.11	7.90
502	Furniture and home furnishings.....	23,716	20,199	+17.4	2,949	2,555	+15.4	8.04	7.91
*503	Lumber and other construction materials.....	44,561	40,712	+9.5	4,149	3,957	+4.9	10.74	10.29
504	Sporting, recreational, photographic, and hobby goods, toys and supplies....	14,273	13,450	+6.1	2,505	2,352	+6.5	5.70	5.72
505	Metals and minerals, except petroleum..	64,928	52,728	+23.1	9,271	8,859	+4.7	7.00	5.95
506	Electrical goods.....	86,814	67,315	+29.0	12,334	9,014	+36.8	7.04	7.47
507	Hardware, plumbing, heating equipment, and supplies.....	37,671	32,293	+16.7	5,594	4,881	+14.6	6.73	6.62
508	Machinery, equipment, and supplies.....	162,893	138,817	+17.3	29,836	28,389	+5.1	5.46	4.89
509	Miscellaneous durable goods.....	53,166	49,466	+7.5	4,445	4,177	+6.4	11.96	11.84
51	Nondurable goods, total.....	751,643	688,129	+9.2	46,709	44,308	+5.4	16.09	15.53
511	Paper and paper products.....	34,473	28,617	+20.5	2,715	2,488	+9.1	12.70	11.50
512	Drugs, drug proprietaries and druggists' sundries.....	22,143	19,739	+12.2	(S)	(S)	(S)	(S)	(S)
513	Apparel, piece goods, and notions.....	37,824	33,535	+12.8	5,698	5,239	+8.8	6.64	6.40
514	Groceries and related products.....	208,925	190,308	+9.8	9,221	8,439	+9.3	22.66	22.55
515	Farm-product raw materials.....	126,154	123,307	+2.3	8,324	9,053	-8.1	15.16	13.62
516	Chemicals and allied products.....	23,585	21,764	+8.4	(S)	(S)	(S)	(S)	(S)
518	Beer, wine, and distilled alcoholic beverages.....	37,646	36,869	+2.1	3,061	2,897	+5.7	12.30	12.73
519	Miscellaneous nondurable goods.....	101,373	90,732	+11.7	9,328	7,906	+18.0	10.87	11.48

*Data for this kind of business have been added to the 1984 Annual Trade Survey because of improved data analysis and reduced sampling variability.
S Data do not meet publication standards. See section on Unpublished Data for further information.

[1]See Explanatory Material for a definition of merchant wholesale sales.
[2]Inventory data are for end of year 1984 and 1983. Fiscal-year inventories have been adjusted to an end-of-year basis.

NOTE: The above data have been adjusted to the results of the 1982 Census of Wholesale Trade.

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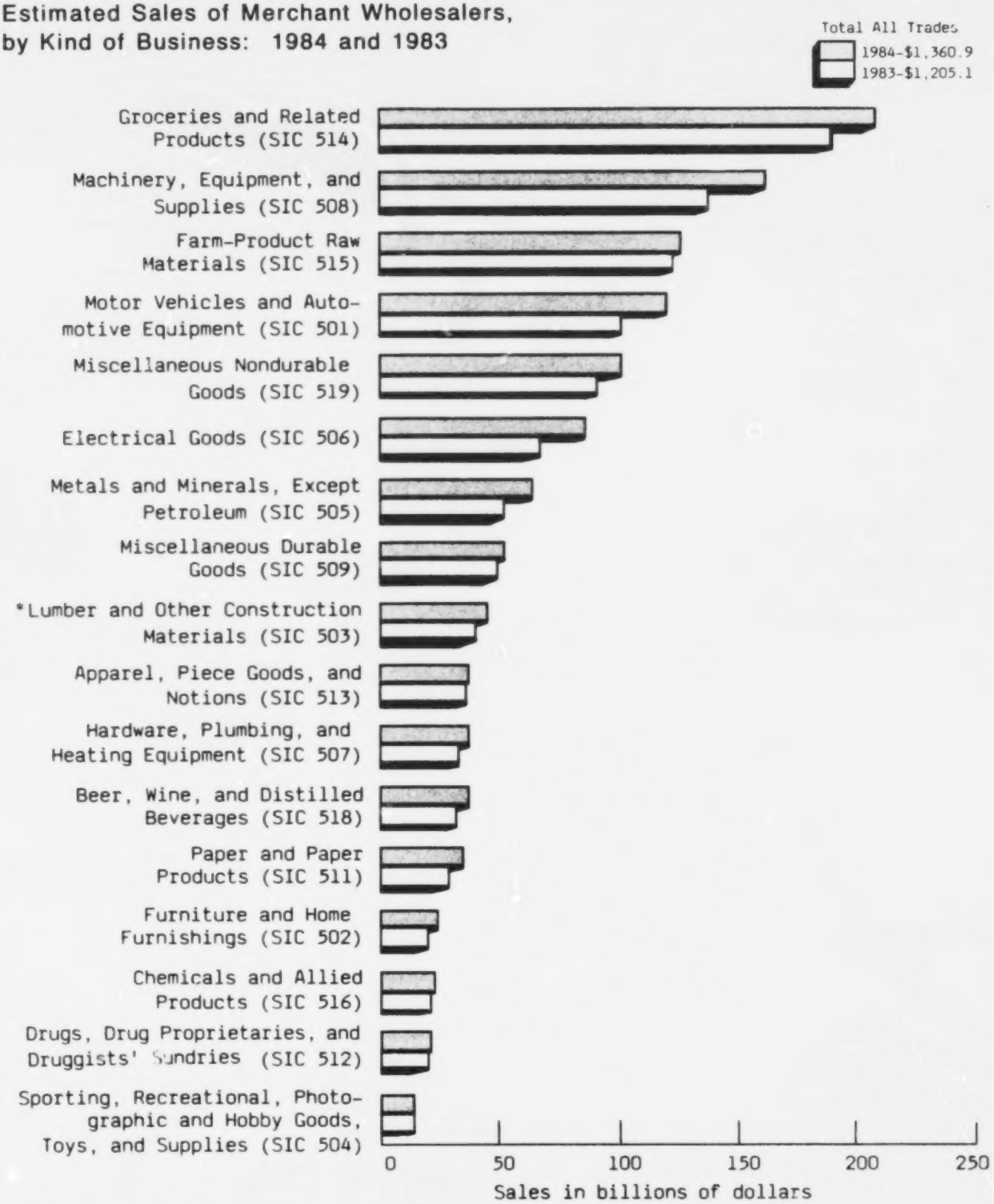
FIGURE 1.

Estimated Sales of Merchant Wholesalers, by Kind of Business: 1984 and 1983


Total All Trades
1984-$1,360.9
1983-$1,205.1
Groceries and Related Products (SIC 514)
Machinery, Equipment, and Supplies (SIC 508)
Farm-Product Raw Materials (SIC 515)
Motor Vehicles and Automotive Equipment (SIC 501)
Miscellaneous Nondurable Goods (SIC 519)
Electrical Goods (SIC 506)
Metals and Minerals, Except Petroleum (SIC 505)
Miscellaneous Durable Goods (SIC 509)
*Lumber and Other Construction Materials (SIC 503)
Apparel, Piece Goods, and Notions (SIC 513)
Hardware, Plumbing, and Heating Equipment (SIC 507)
Beer, Wine, and Distilled Beverages (SIC 518)
Paper and Paper Products (SIC 511)
Furniture and Home Furnishings (SIC 502)
Chemicals and Allied Products (SIC 516)
Drugs, Drug Proprietaries, and Druggists' Sundries (SIC 512)
Sporting, Recreational, Photographic and Hobby Goods, Toys, and Supplies (SIC 504)
0
50
100
150
200
250
Sales in billions of dollars

*Data for this kind of business have been added to the 1984 Annual Trade Survey because of improved data analysis and reduced sampling variability.

The data represented graphically in the above chart are subject to the sampling variabilities as presented in Table 7.

Table 2. Estimated Sales Tax as a Percent of Sales of Merchant Wholesalers, by Kind of Business: 1984 and 1983

SIC code	Kind of business	Sales tax (percent)		SIC code	Kind of business	Sales tax (percent)	
		1984	1983			1984	1983
	Merchant wholesalers, total...	0.8	0.8				
50	Durable goods, total.....	1.0	1.0	51	Nondurable goods, total.....	0.7	0.6
501	Motor vehicles and automotive parts and supplies.....	0.8	0.7	511	Paper and paper products.....	1.3	1.3
502	Furniture and home furnishings.....	1.5	1.5	512	Drugs, drug proprietaries and druggists' sundries.....	0.1	0.1
*503	Lumber and other construction materials.....	1.5	1.6	513	Apparel, piece goods, and notions.....	0.1	0.1
504	Sporting, recreational, photographic, and hobby goods, toys and supplies.....	0.5	0.5	514	Groceries and related products.....	0.1	0.2
505	Metals and minerals, except petroleum.....	0.4	0.4	515	Farm-product raw materials.....	0.1	(Z)
506	Electrical goods.....	1.0	1.0	516	Chemicals and allied products....	0.5	0.6
507	Hardware, plumbing, heating equipment, and supplies.....	1.8	1.8	518	Beer, wine, and distilled alcoholic beverages.....	1.9	1.9
508	Machinery, equipment, and supplies.....	1.5	1.4	519	Miscellaneous nondurable goods.....	0.6	0.6
509	Miscellaneous durable goods.....	0.1	0.1				

*Data for this kind of business have been added to the 1984 Annual Trade Survey because of improved data analysis and reduced sampling variability.
Z less than 0.1 percent.

NOTE: Sales taxes include sales and other taxes collected directly from customers and forwarded directly to taxing authorities.

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Table 3. Estimated Sales of Merchant Wholesalers, by Legal Form of Ownership and Kind of Business: 1984

SIC code	Kind of business	Total (Millions of dollars)	Individual proprietorships (Percent of total)	Partnerships (Percent of total)	Corporations (Percent of total)
	Merchant wholesalers, total....	1,360,853	2.0	1.4	90.5
50	Durable goods, total.....	609,210	1.7	1.0	96.4
501	Motor vehicles and automotive parts and supplies.....	121,188	1.7	0.5	97.5
502	Furniture and home furnishings.....	23,716	1.3	1.6	95.2
*503	Lumber and other construction materials.....	44,561	1.1	0.5	96.8
504	Sporting, recreational, photographic, and hobby goods, toys and supplies.....	14,273	4.6	1.1	94.3
505	Metals and minerals, except petroleum.....	64,928	0.4	0.7	98.7
506	Electrical goods.....	86,814	0.4	0.3	98.7
507	Hardware, plumbing, heating equipment, and supplies.....	37,671	1.4	1.0	94.2
508	Machinery, equipment, and supplies...	162,893	2.9	1.3	94.6
509	Miscellaneous durable goods.....	53,166	1.4	2.8	95.5
51	Nondurable goods, total.....	751,643	2.3	1.7	85.7
511	Paper and paper products.....	34,473	0.5	0.4	98.7
512	Drugs, drug proprietaries and druggists' sundries.....	22,143	0.2	0.1	99.2
513	Apparel, piece goods, and notions....	37,824	0.1	3.4	96.5
514	Groceries and related products.....	208,925	2.2	1.6	81.1
515	Farm-product raw materials.....	126,154	1.4	1.7	75.8
516	Chemicals and allied products.....	23,585	0.3	0.9	98.3
518	Beer, wine, and distilled alcoholic beverages.....	37,646	2.5	1.3	95.1
519	Miscellaneous nondurable goods.....	101,373	2.4	2.5	84.6

*Data for this kind of business have been added to the 1984 Annual Trade Survey because of improved data analysis and reduced sampling variability.

NOTE: Totals include data for kinds of business and other forms of ownership not shown separately; therefore, these percentages may not add to 100. Other forms of ownership include cooperative associations, governments, etc. The above data have been adjusted to the results of the 1982 Census of Wholesale Trade.

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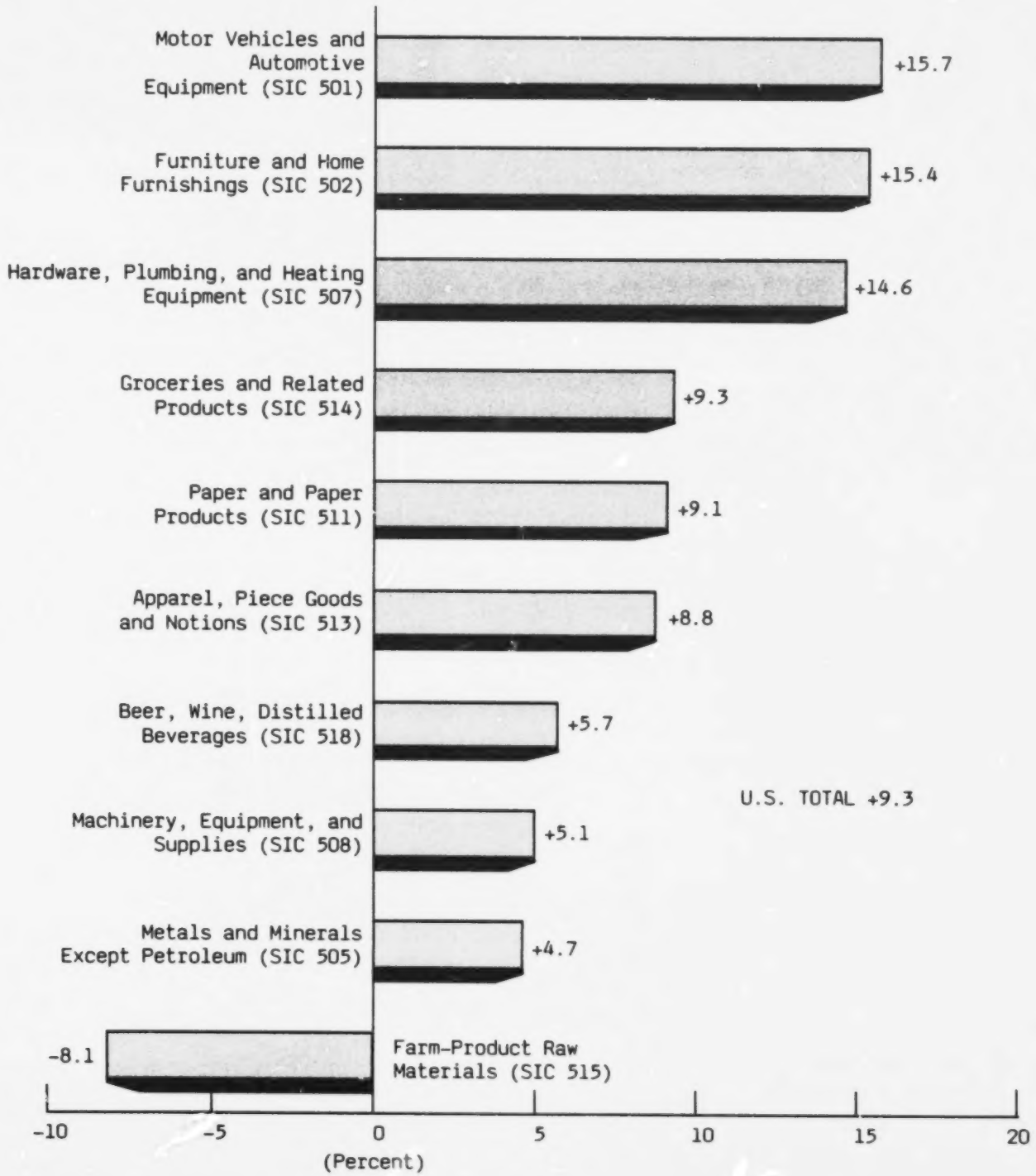
FIGURE 2.

Percent Change of Year – End Inventories 1984 From 1983 of Merchant Wholesalers, by Selected Kinds of Business

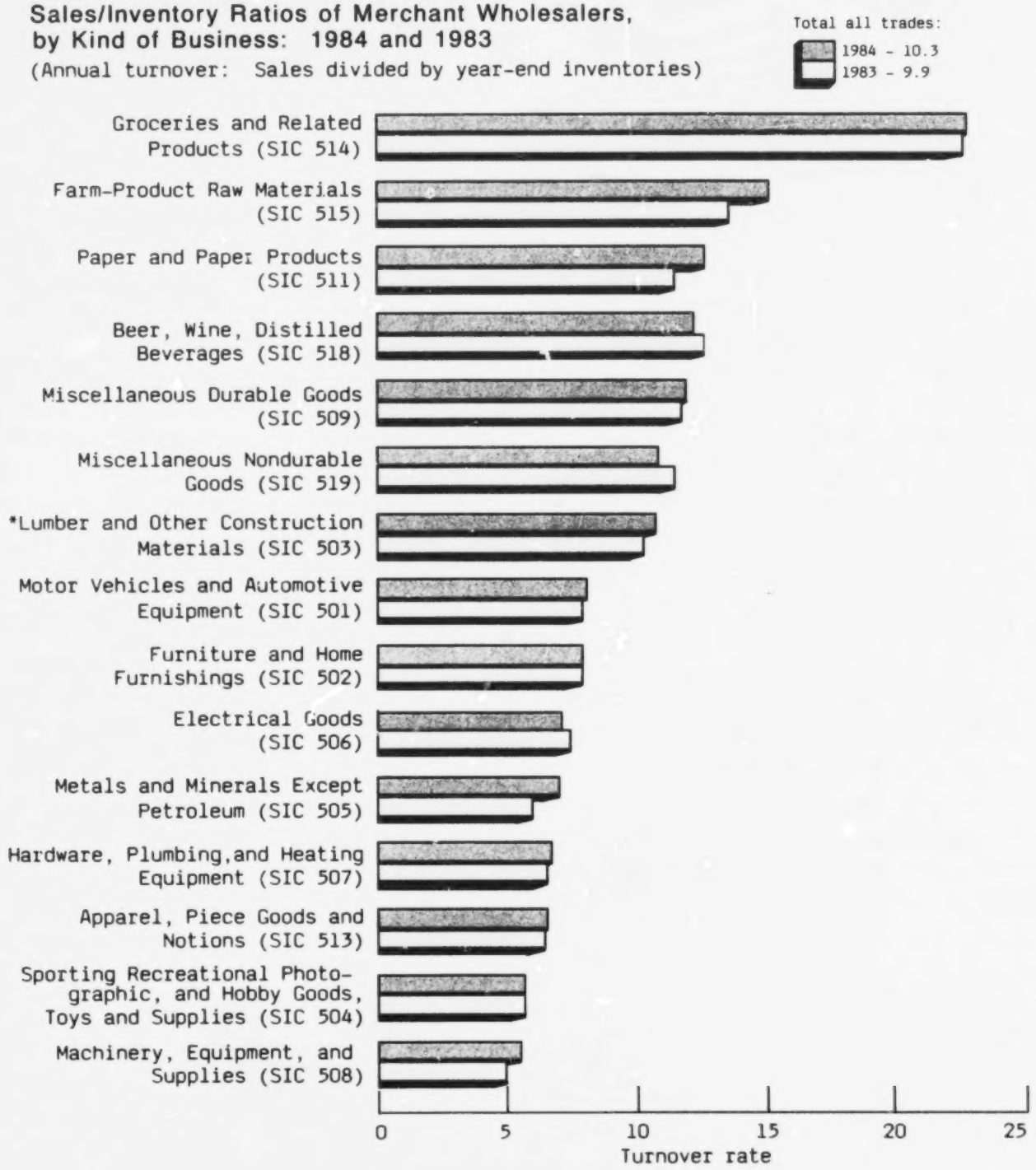


The data represented graphically in the above chart are subject to the sampling variabilities as presented in Table 7.

FIGURE 3.

Sales/Inventory Ratios of Merchant Wholesalers, by Kind of Business: 1984 and 1983

(Annual turnover: Sales divided by year-end inventories)


Total all trades:
1984 - 10.3
1983 - 9.9
Groceries and Related Products (SIC 514)
Farm-Product Raw Materials (SIC 515)
Paper and Paper Products (SIC 511)
Beer, Wine, Distilled Beverages (SIC 518)
Miscellaneous Durable Goods (SIC 509)
Miscellaneous Nondurable Goods (SIC 519)
*Lumber and Other Construction Materials (SIC 503)
Motor Vehicles and Automotive Equipment (SIC 501)
Furniture and Home Furnishings (SIC 502)
Electrical Goods (SIC 506)
Metals and Minerals Except Petroleum (SIC 505)
Hardware, Plumbing, and Heating Equipment (SIC 507)
Apparel, Piece Goods and Notions (SIC 513)
Sporting Recreational Photographic, and Hobby Goods, Toys and Supplies (SIC 504)
Machinery, Equipment, and Supplies (SIC 508)
0
5
10
15
20
25
Turnover rate

*Data for this kind of business have been added to the 1984 Annual Trade Survey because of improved data analysis and reduced sampling variability.

Note: Groceries and Related Products (SIC 514) with a 1984 sales/inventories ratio of 22.7 (see table 1) indicates this trade group had annual sales equal to 22.7 times their year-end inventories, while machinery, equipment, and supplies with a sales/inventory ratio of 5.5 had annual sales equal to 5.5 times the level of their year-end inventories.

The data represented graphically in the above chart are subject to sampling variabilities. However, no measures of variability have been calculated for these data.

Table 4. Estimated End-of-Year Inventories of Merchant Wholesalers, by Legal Form of Ownership and Kind of Business: 1984

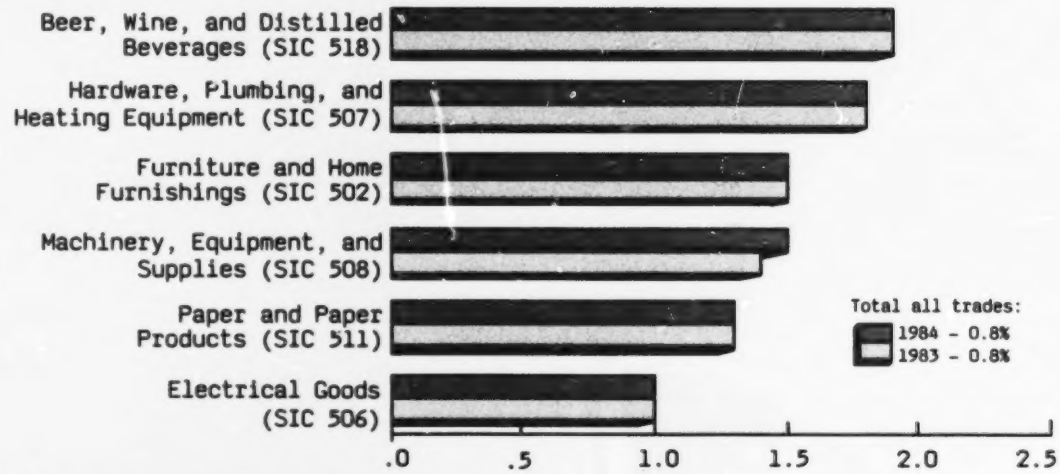
SIC code	Kind of business	Total (Millions of dollars)	Individual proprietorships (Percent of total)	Partnerships (Percent of total)	Corporations (Percent of total)
	Merchant wholesalers, total....	132,733	1.8	1.1	92.8
50	Durable goods, total.....	86,024	2.1	0.9	96.4
501	Motor vehicles and automotive parts and supplies.....	14,941	1.7	0.7	97.2
502	Furniture and home furnishings.....	2,949	0.9	2.7	95.7
*503	Lumber and other construction materials.....	4,149	0.7	0.3	99.0
504	Sporting, recreational, photographic, and hobby goods, toys and supplies.....	2,505	3.0	1.5	95.5
505	Metals and minerals, except petroleum.....	9,271	0.4	0.5	99.0
506	Electrical goods.....	12,334	0.3	0.7	98.8
507	Hardware, plumbing, heating equipment, and supplies.....	5,594	1.7	0.7	95.5
508	Machinery, equipment, and supplies...	29,836	3.9	0.9	94.4
509	Miscellaneous durable goods.....	4,445	2.3	1.6	95.6
51	Nondurable goods, total.....	46,709	1.2	1.6	86.2
511	Paper and paper products.....	2,715	0.3	0.5	99.2
513	Apparel, piece goods, and notions....	5,698	0.1	4.1	95.8
514	Groceries and related products.....	9,221	2.2	0.5	86.6
515	Farm-product raw materials.....	8,324	0.5	2.2	62.1
518	Beer, wine, and distilled alcoholic beverages.....	3,061	2.3	1.1	94.3
519	Miscellaneous nondurable goods.....	9,328	2.0	2.2	86.7

*Data for this kind of business have been added to the 1984 Annual Trade Survey because of improved data analysis and reduced sampling variability.

NOTE: Totals include data for kinds of business and other forms of ownership not shown separately; therefore, these percentages may not add to 100. Other forms of ownership include cooperative associations, governments, etc. The above data have been adjusted to the results of the 1982 Census of Wholesale Trade.

FIGURE 4.

Sales Tax as a Percent of Sales of Merchant Wholesalers, by Selected Kind of Business: 1984 and 1983



The data represented graphically in the above chart are subject to sampling variabilities. However, no measures of variability have been calculated for these data.

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Table 5. Methods of Inventory Valuation, by Kind of Business: 1984 and 1983

(Percent of estimated inventory as shown in table 1)

SIC code	Kind of business	Cost method[1]										Market method[2]			
		First-in first-out[3]		Last-in first-out[4]		Average[5]		Specific[6]		Other methods		Market method always used[7]		Market lower than cost[8]	
		1984	1983	1984	1983	1984	1983	1984	1983	1984	1983	1984	1983	1984	1983
	Merchant wholesalers, total	29.9	29.4	25.6	26.0	13.0	12.7	18.8	18.9	0.3	0.4	9.3	10.0	3.1	2.8
50	Durable goods, total	29.2	28.8	25.7	26.1	14.7	14.2	21.0	21.7	0.3	0.4	5.8	5.9	3.3	2.9
501	Motor vehicles and automotive parts and supplies	31.0	31.8	26.4	25.0	13.2	12.7	20.7	21.2	0.1	0.2	7.5	7.9	1.2	1.3
502	Furniture and home furnishings	47.2	46.0	14.0	14.5	10.7	10.9	20.1	22.0	0.3	0.0	5.0	4.0	2.7	2.5
*503	Lumber and other construction materials	29.7	30.6	18.4	18.9	25.8	25.0	17.8	17.1	0.4	0.0	4.7	4.7	3.2	3.7
504	Sporting, recreational, photographic, and hobby goods, toys and supplies	46.0	44.0	17.8	17.2	20.0	20.7	11.1	11.9	0.1	0.0	1.8	2.4	3.2	3.8
505	Metals and minerals, except petroleum	14.2	14.1	38.7	38.9	12.9	11.8	18.8	17.2	0.0	0.2	9.1	11.0	6.3	6.7
506	Electrical goods	43.2	44.6	18.8	20.3	19.4	18.9	11.1	10.1	0.2	0.2	3.6	3.2	3.9	2.7
507	Hardware, plumbing, heating equipment, and supplies	33.3	33.6	30.3	30.6	13.9	13.7	14.9	15.4	0.4	0.3	3.8	3.7	3.3	2.7
508	Machinery, equipment, and supplies	24.0	24.1	26.8	27.5	12.4	11.9	29.2	30.2	0.6	0.7	4.8	4.4	2.1	1.3
509	Miscellaneous durable goods	23.1	23.1	18.9	17.1	19.0	21.0	13.8	14.9	0.3	0.2	12.7	12.3	12.2	11.5
51	Nondurable goods, total	31.3	30.3	25.6	25.7	10.0	10.0	14.8	14.2	0.2	0.3	15.5	17.0	2.7	2.5
511	Paper and paper products	35.6	37.0	31.4	29.3	8.8	9.2	17.2	16.1	0.0	0.2	3.8	4.3	3.3	3.8
513	Apparel, piece goods, and notions	36.6	35.3	26.5	26.0	15.0	15.3	15.5	16.1	0.0	0.0	3.8	4.1	2.7	3.2
514	Groceries and related products	37.6	36.5	30.4	30.2	7.0	7.7	13.1	13.5	0.2	0.3	7.8	8.1	3.9	3.6
515	Farm-product raw materials	11.4	11.7	6.4	6.3	11.7	11.5	15.7	14.3	0.1	0.5	51.8	53.3	2.9	2.6
518	Beer, wine, and distilled alcoholic beverages	36.0	35.8	42.6	42.9	3.1	3.5	12.8	12.9	0.0	0.2	4.9	4.4	0.6	0.4
519	Miscellaneous nondurable goods	33.9	34.8	14.5	14.5	13.3	14.1	22.8	21.8	0.3	0.7	12.5	11.4	2.6	2.7

*Data for this kind of business have been added to the 1984 Annual Trade Survey because of improved data analysis and reduced sampling variability.

[1]Method of accounting which values inventory in terms of purchase cost.
[2]Method of accounting that values inventory at market price.
[3]Costs are based on the assumption that the first units placed in stock are the first to be sold.
[4]Costs are based on the assumption that the last units placed in stock are the first to be sold.
[5]Method of accounting that divides the total cost of goods available for sale by the number of units available for sale.
[6]Method of accounting that determines the cost of inventory by specific purchases.
[7]Method of accounting which values inventory at the current prevailing market cost.
[8]Method of accounting that values inventory at market price if the market value is lower than cost. For those inventories with a cost value less than the market value, the cost method is used.

NOTE: Totals may not add to 100 percent due to rounding.

The inventory valuation shown above is based on reported data. For 1984 the dollar level of reported inventory valuation was 87.4 percent of total inventories.

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Purchases and Gross Margin. Total purchases for all trade groups were $1,120.4 billion in 1984, up 13.3 percent from revised 1983 levels. Purchases for the durable goods group were $471.8 billion, up 19.8 percent from last year, while purchases for the nondurable goods trades amounted to $648.6 billion, an increase of 9.1 percent from 1983.

Gross margin data for all trade groups were $251.8 billion, an amount equal to 18.5 percent of sales in 1984 compared to the revised 1983 gross margin levels which equaled 18.2 percent of sales. Gross margin data for the durable goods group amounted to $146.4 billion, an amount equal to 24.0 percent of sales in 1984 in contrast to 23.7 percent of sales in 1983. Gross margin data for the nondurable goods trades were $105.4 billion. Gross margin data for the nondurable goods group equaled 14.0 percent of sales for both 1984 and 1983. The largest gross margin to sales ratio was shown in sporting, recreational, photographic, hobby goods, toys, and supplies with gross margin levels equal to 31.2 percent of sales. The lowest gross margin to sales ratio was noted in farm-product raw materials with gross margin levels 5.3 percent of sales.

The annual trade survey is based on the same basic sample as the *Monthly Wholesale Trade, Sales and Inventories* survey which provide sales and inventory data on a monthly basis. Data shown in this report have been adjusted to the 1982 Census of Wholesale Trade. See the section on Estimation at the back of this report for further details.

Table 6. Estimated Sales, Purchases, and Gross Margin of Merchant Wholesalers, by Kind of Business: 1984 and 1983

SIC code	Kind of business	Sales (millions of dollars)		Purchases (millions of dollars)		Gross margin (millions of dollars)		Gross margin as a percent of sales	
		1984	1983	1984	1983	1984	1983	1984	1983
	Merchant wholesalers, total.....	1,360,853	1,205,093	1,120,407	988,530	251,778	218,853	18.5	18.2
50	Durable goods, total.....	609,210	516,964	471,776	393,915	146,362	122,489	24.0	23.7
501	Motor vehicles and automotive parts and supplies.....	121,188	101,984	99,424	80,823	23,790	20,547	19.6	20.1
502	Furniture and home furnishings.....	23,716	20,199	17,484	14,825	6,625	5,552	27.9	27.5
*503	Lumber and other construction materials.....	44,561	40,712	34,356	32,149	10,397	9,127	23.3	22.4
504	Sporting, recreational, photographic, and hobby goods, toys and supplies....	14,273	13,450	9,971	9,398	4,456	4,137	31.2	30.8
505	Metals and minerals, except petroleum..	64,928	52,728	55,573	44,404	9,768	7,776	15.0	14.7
506	Electrical goods.....	86,814	67,315	68,069	51,220	22,066	16,580	25.4	24.6
507	Hardware, plumbing, heating equipment, and supplies.....	37,671	32,293	27,478	23,422	10,906	9,119	29.0	28.2
508	Machinery, equipment, and supplies.....	162,893	138,817	116,152	97,779	48,188	40,349	29.6	29.1
509	Miscellaneous durable goods.....	53,166	49,466	43,269	39,895	10,166	9,302	19.1	18.8
51	Nondurable goods, total.....	751,643	688,129	648,631	594,615	105,416	96,364	14.0	14.0
511	Paper and paper products.....	34,473	28,617	26,737	22,336	7,965	6,719	23.1	23.5
513	Apparel, piece goods, and notions.....	37,824	33,535	28,690	25,356	9,592	8,384	25.4	25.0
514	Groceries and related products.....	208,925	190,308	182,885	166,377	26,820	24,621	12.8	12.9
515	Farm-product raw materials.....	126,154	123,307	118,777	117,800	6,648	6,717	5.3	5.4
518	Beer, wine, and distilled alcoholic beverages.....	37,646	36,869	28,761	27,599	9,049	9,069	24.0	24.6
519	Miscellaneous nondurable goods.....	101,373	90,732	81,775	72,934	21,024	18,382	20.7	20.3

*Data for this kind of business have been added to the 1984 Annual Trade Survey because of improved data analysis and reduced sampling variability.

NOTE: The above data have been adjusted to the results of the 1982 Census of Wholesale Trade.

Table 7. Estimated Sampling Variability for Sales, Inventory, and Purchase Estimates

(Coefficients of variation expressed as percents)

SIC code	Kind of business	Dollar volume estimates			Year-to-year ratios		
		Sales	Inventory	Purchases	Sales	Inventory	Purchases
	Merchant wholesalers, total	1.4	1.5	1.6	0.6	1.0	0.7
50	Durable goods, total	1.1	1.9	1.1	0.7	1.2	0.8
501	Motor vehicles and automotive parts and supplies	1.5	3.9	1.7	1.3	2.2	1.7
502	Furniture and home furnishings	6.0	9.6	7.0	1.6	5.4	2.1
*503	Lumber and other construction materials	5.2	6.0	6.4	1.9	5.2	2.5
504	Sporting, recreational, photographic, and hobby goods, toys and supplies	6.2	9.5	6.9	3.7	6.2	4.6
505	Metals and minerals, except petroleum	2.9	6.5	3.3	2.0	4.3	2.4
506	Electrical goods	3.0	4.9	2.9	2.6	3.7	2.8
507	Hardware, plumbing, heating equipment, and supplies	3.7	5.8	3.7	3.1	4.3	3.0
508	Machinery, equipment, and supplies	2.1	3.6	2.1	1.0	1.8	1.4
509	Miscellaneous durable goods	4.3	6.7	4.6	1.5	3.1	1.5
51	Nondurable goods, total	2.4	2.3	2.6	0.9	2.0	1.1
511	Paper and paper products	2.4	4.5	2.5	1.6	2.7	1.8
512	Drugs, drug proprietaries and druggists' sundries	6.1	(V)	(V)	5.7	(V)	(V)
513	Apparel, piece goods, and notions	4.7	6.8	5.2	2.2	6.2	1.8
514	Groceries and related products	1.7	4.0	1.9	1.3	4.1	1.7
515	Farm-product raw materials	2.6	5.3	2.8	2.2	3.4	2.5
516	Chemicals and allied products	3.4	(V)	(V)	2.4	(V)	(V)
518	Beer, wine, and distilled alcoholic beverages	4.6	6.6	4.5	2.0	2.3	2.3
519	Miscellaneous nondurable goods	1.5	7.1	1.9	1.3	5.3	1.5

*Data for this kind of business have been added to the 1984 Annual Trade Survey because of improved data analysis and reduced sampling variability.

V Measures of sampling variability are not shown since inventory and purchases estimates for these kinds of business are not published.

NOTE: Coefficients of variation for sales/inventory ratios have not been computed but, in general, are expected to be less than those for sales estimates. The above coefficients of variation apply to both the tables and charts shown in this report.

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*FIGURE 5.

Estimated Purchases of All Merchant Wholesalers, by Kind of Business, as a Percentage of Total Merchant Wholesaler Purchases: 1984

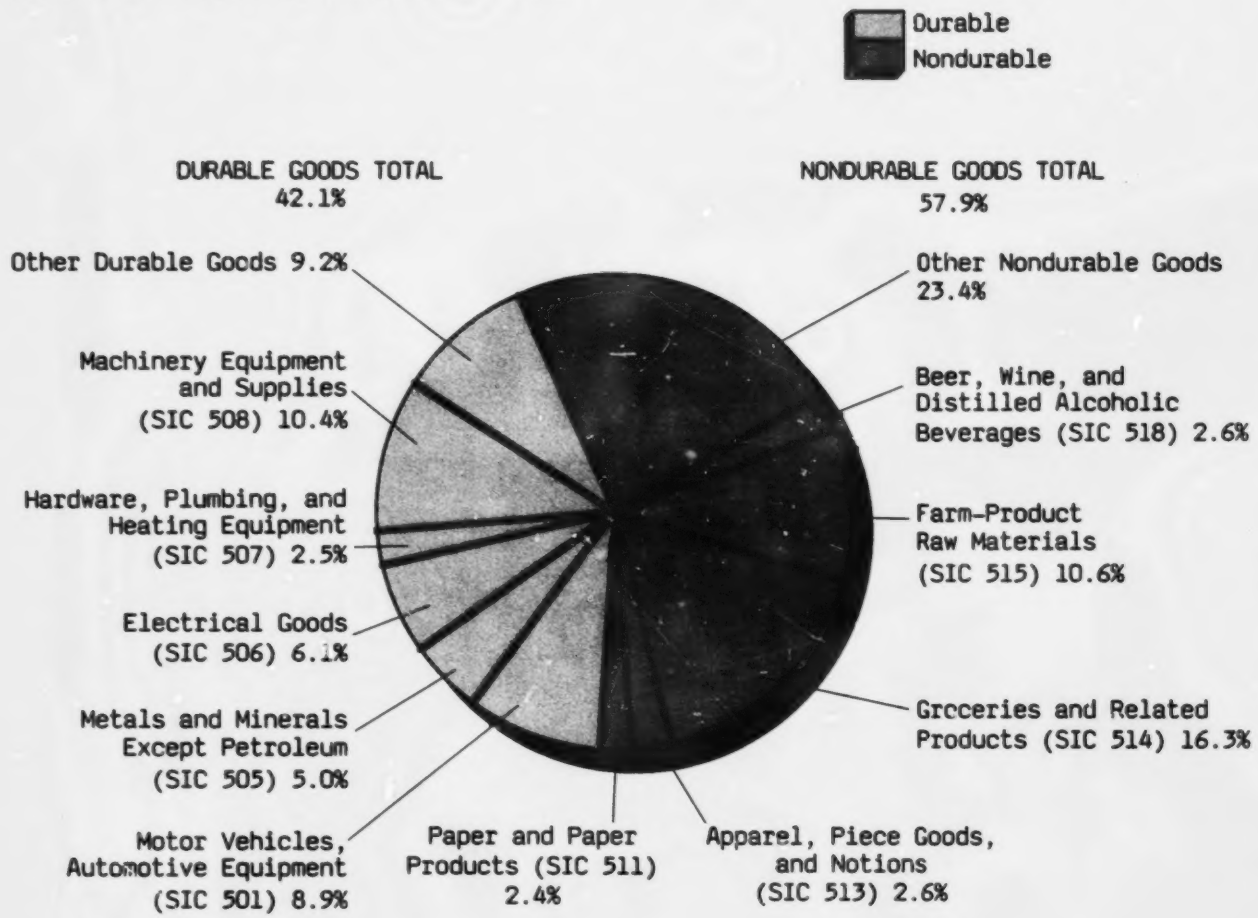
Durable
Nondurable
DURABLE GOODS TOTAL
42.1%
NONDURABLE GOODS TOTAL
57.9%
Other Durable Goods 9.2%
Machinery Equipment and Supplies (SIC 508) 10.4%
Hardware, Plumbing, and Heating Equipment (SIC 507) 2.5%
Electrical Goods (SIC 506) 6.1%
Metals and Minerals Except Petroleum (SIC 505) 5.0%
Motor Vehicles, Automotive Equipment (SIC 501) 8.9%
Paper and Paper Products (SIC 511) 2.4%
Apparel, Piece Goods, and Notions (SIC 513) 2.6%
Groceries and Related Products (SIC 514) 16.3%
Farm-Product Raw Materials (SIC 515) 10.6%
Beer, Wine, and Distilled Alcoholic Beverages (SIC 518) 2.6%
Other Nondurable Goods 23.4%

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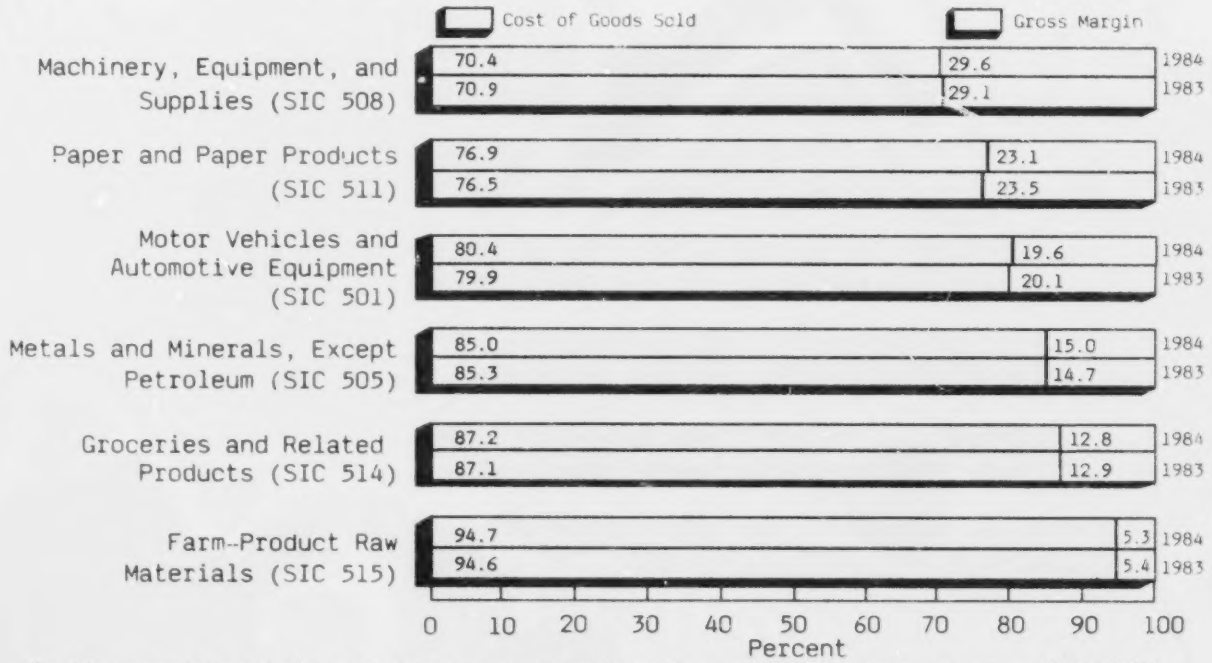
FIGURE 6.

Estimated Gross Margin and Cost of Goods Sold as a Percent of Sales, by Selected Kind of Business: 1984 and 1983



The data represented graphically in the above chart are subject to sampling variabilities. However, no measures of variability have been calculated for these data.

Appendix A. Explanatory Material

SCOPE OF SURVEY

Wholesale trade, as defined in Major Groups 50 and 51 of the 1972 edition of the *Standard Industrial Classification Manual*[1] and the 1977 Supplement and as covered in the 1977 Economic Censuses, includes establishments or places of business primarily engaged in selling merchandise to retailers; to industrial, commercial, institutional, farm, or professional business users; to other wholesalers; or acting as agents or brokers in buying merchandise for or selling merchandise to such persons or companies.

The principal types of establishments included are: (1) merchant wholesalers who take title to the goods they sell, such as wholesale merchants or jobbers, industrial distributors, voluntary group wholesalers, exporters, importers, cash-and-carry wholesalers, drop shippers, major distributors, retailer cooperative warehouses, terminal elevators, and cooperative buying associations; (2) sales branches and sales offices (but not retail stores) maintained by domestic manufacturing or mining enterprises apart from their plants or mines for the purpose of marketing their products; and (3) agents, merchandise or commodity brokers, and commission merchants.

This survey is limited to merchant wholesalers (described under category 1 above) who constitute the major portion of the broad field of wholesale trade. All kinds of business in which merchant wholesalers operate are represented in this survey. Also included in this survey are sales branches of ferrous metals service centers (as part of Standard Industrial Classification (SIC) 505) with inventories.

Kind-of-business classifications are not interchangeable with commodity classifications. Most businesses sell several kinds of commodities. The kind-of-business code assigned generally reflects either the individual commodity or the commodity group that is the primary source of the establishment's receipts or some mixture of commodities that characterize the establishment's business. The classification of establishments by kind of business generally does not make it possible to determine either the number of establishments handling a particular commodity or the sales of that commodity. For example, the "grocery" classification excludes establishments selling groceries if the sale of groceries is not the primary source of receipts; establishments which are classified as "grocery wholesalers" may derive some of their receipts from nonfood products.

A description of each kind of business included in the accompanying statistical data is shown in appendix B.

DEFINITION OF TERMS

Sales. Sales include the following: merchandise sold for cash or credit at wholesale and retail by establishments primarily engaged in merchant wholesale trade; receipts from customers for rental or leasing of equipment, instruments, tools, etc.; receipts for delivery, installation, alteration, maintenance, repair, storage, and other services; and gasoline, liquor, tobacco, and other excise taxes which are paid by the manufacturer and passed along to the wholesaler. Sales which are made on an agency basis for others are included as gross sales. Direct shipments on orders from wholesalers are also included in sales. Total sales do not include nonoperating income from sources such as investments, rental or sale of real estate, etc.

All sales are net after deductions for returns, allowances, and discounts. The sales figures represent total sales and receipts of all establishments primarily engaged in merchant wholesale trade. They do not include merchant wholesale sales by nonmerchant wholesalers, manufacturers, retailers, service establishments, and others whose primary activity is other than merchant wholesale trade. A copy of the questionnaire used in this survey is shown in appendix C.

Inventories. Inventories represent stocks of merchandise owned by merchant wholesalers on December 31 and available for sale in the United States. A small amount of inventories are reported at market value while most are reported on a cost basis (see table 5.) Goods held for consignment and items not for sale such as fixtures, equipment, and supplies are not included.

In addition to reporting inventories, respondents in the annual survey were requested to report the accounting procedure used to determine the inventory value. Table 5 shows the alternative methods used in inventory valuation.

Sales/Inventory Ratios. The sales/inventory ratios shown in table 1 indicate the relationship of annual sales and end-of-year inventories and are derived by dividing annual sales by the corresponding inventories.

Purchases. Purchases represent the total cost of merchandise acquired for resale (net of returns, allowances, and trade and cash discounts), but including payments by the wholesaler for freight insurance, import duties, and credit and other charges.

[1]Executive Office of the President, Office of Management and Budget, *Standard Industrial Classification Manual 1972 and the 1977 Supplement.*

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Purchases exclude the cost of containers, wrapping, packaging, and selling supplies. Also excluded are liquor and tobacco tax stamps.

Cost of Goods Sold. Cost of goods sold (which is not shown in this report but can be derived by subtracting gross margin data from sales data) represents the total cost of merchandise sold for cash or credit at wholesale and retail by establishments primarily engaged in merchant wholesale trade. Cost of goods sold is calculated by adding all purchases of merchandise (net of returns, allowances, and discounts but including charges for freight, insurance, etc.) during the year to the beginning year inventories, then deducting the end-of-year inventories from the total. Firms were instructed to exclude the cost of containers, wrapping, packaging, and selling supplies in the cost of purchases. Purchase of tax stamps and payments of excise taxes often included by tobacco and liquor wholesalers in their purchases were, for this survey, excluded from cost of goods sold.

Gross Margin. Gross margin represents sales less cost of goods sold. Gross margin is equivalent to the cost of all materials (as distinguished from goods to be resold) and services provided in merchant wholesale establishments whether provided by the merchant wholesaling firm itself or purchased by it from others. To the extent that it includes cost of contract work done by others on materials of the merchant wholesale firms, gross margin includes an element of value added by manufacturing.

UNPUBLISHED DATA

Sales, inventories, purchases, and gross margin estimates for unpublished three-digit and all four-digit wholesale trade categories are not included in this report because the sampling variability associated with these data does not meet the Census Bureau publication criteria. The Census Bureau, on written request, will release these data for individual use, though not for publication.

SAMPLE DESIGN

The 1984 Annual Trade Survey sample consists of all sampling units in the monthly samples for November and December 1984 and January 1985 which make up a fixed panel of large businesses (most of which were selected with certainty, i.e. given a 100-percent chance of selection) and three rotating panels of smaller businesses. The sample also includes sampling units that did not contribute to the November and December 1984 and January 1985 estimates; but did contribute to at least one of the monthly estimates for 1983 or 1984. In the annual survey, all three rotating panels and the fixed panel are canvassed, thereby, reducing the sampling variability of the annual estimates from that of the monthly estimates.

The monthly sample was originally drawn from all merchant wholesalers in the Standard Statistical Establishment List (SSEL) as updated to December 31, 1979. The SSEL consisted of two lists. One list was composed of all Employer Identification (EI) numbers issued by the Internal Revenue Service (IRS) with reported payroll in at least one quarter of 1979. The second list consisted of all establishments of known multiestablishment companies as of December 31, 1979. These lists contained information on sales/receipts, payroll, employment, name and address, kind-of-business classification, etc.

Before the sampling frame was available, a study was made using files from the 1977 Census of Wholesale Trade. This study determined the stratification of the sampling units based on 1977 sales, inventories, and kind of business, and also determined the optimal allocation of the sample necessary to meet specified sampling variability objectives for sales and inventory estimates for different kind-of-business groups. The primary stratum boundary determined in the study was the certainty cutoff to be used for each kind of business. The cutoff was particularly important since it also determined the type of sampling unit.

The sampling units consist of both companies and EI reporters. If a known company had total merchant wholesale sales or inventories (on a 1977 basis) above the corresponding cutoff for its major kind of business, the company was selected for the sample with certainty.

The company, which might consist of many EI's, was then the sampling unit; therefore, any new establishments that the company might acquire, even if under new or different EI's, were in the sample with certainty. Single establishment companies, whether or not selected with certainty, were considered as EI sampling units.

All merchant wholesale companies not selected with certainty were treated on an EI basis; that is, the EI was the sampling unit. To be eligible for the initial sampling, an EI had to be active, i.e., had payroll in 1979 and was on the latest available IRS mailing list for Federal Insurance Contributions Act (FICA) taxpayers. The EI's were then stratified according to their major kind of business and their estimated sales (on a 1977 basis). Within each stratum, a simple random sample of EI's was selected. The sampling rates for these EI's varied between 1 in 3 and 1 in 600.

For all EI "births" after the initial selection, a two-phase selection procedure is used. EI births are new EI's recently assigned by the IRS and on the latest available IRS mailing list for FICA taxpayers. In the first phase, births are stratified by kind of business and size (expected employment or quarterly payroll). A relatively large sample is drawn and the sampling units are canvassed in order to obtain more reliable measures of size (sales in two recent months) and more detailed kind-of-business codes, if needed.

Using this more reliable information, the selected births in phase one are subjected to probability proportional to size sampling with overall probabilities equivalent to those used in drawing the initial sample from the 1979 SSEL. Because of the lag in reporting births and the time needed to accomplish the two-phase birth-selection procedure, births are actually added to the sample on the average of 12 to 18 months after they begin operation. The ongoing birth-selection procedure is carried out quarterly.

Since births are not represented in the sample until they go through the selection procedure described above, an interim procedure is required to account for births during the period between the onset of activity and the time of birth selection. This consists of imputing data for all selected cases that go out of business but are still on the IRS mailing list.

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To be eligible for the sample canvass and tabulation in a given month, a noncertainty merchant wholesale business must meet both of the following requirements:

1. It must be on the latest available IRS mailing list for FICA taxpayers from the previous quarter.
2. It must have been selected from either the SSEL or the file of employer births.

In the case of businesses that were selected into the sample with certainty, the first requirement is changed. These sampling units are not dropped from canvass and tabulation if they are no longer on the IRS mailing list. Rather, these businesses are contacted; and if there are successor businesses, they are added to the survey. These steps provide a tighter form of control for those larger businesses in our sample.

ESTIMATION

The sales, purchases, inventories, and gross margin estimates published in this report are derived from the Annual Trade Survey estimates adjusted by the 1982 Census of Wholesale Trade sales estimates. Data from the Annual Trade Survey is based upon summation of weighted data from sampling units in the survey (see sample design above). The assigned weights are the inverse of the probability of selection (or sampling rate) of the sampling units. The 1982 Census of Wholesale Trade is a complete enumeration of all wholesale establishments in the United States.

Sales and Purchases

For most detailed kinds of business, the 1984 sales estimates published in this report represent the product of the sales estimate from the 1984 Annual Trade Survey and the ratio of the 1982 Census of Wholesale Trade sales estimate to the 1982 Annual Trade Survey sales estimate for the detailed kind of business. Similarly, revised 1983 sales estimates were derived from the product of the 1983 Annual Trade Survey sales estimate and the ratio of 1982 census sales to 1982 annual sales.

Estimates of purchases for most detailed kinds of business were obtained as the product of annual estimates of purchases and the ratio of 1982 census sales to 1982 annual sales for the detailed kind of business. Sales and purchases estimates for aggregate levels were obtained by summation.

Inventory

Because of definitional differences, inventory data from the 1982 Census of Wholesale Trade were not used in obtaining the final annual inventory estimates. The Annual Trade Survey includes the sales and inventories of central administrative offices and auxiliaries while the Census of Wholesale Trade excludes data for these establishments. These establishments do not usually engage in sales activities and, therefore, did not affect the sales results; however, they can maintain a large amount of inventories as in the case of warehouses. For this reason, final inventories were obtained by multiplying the annual inventory estimates by the ratio of total 1982 census sales to total 1982 annual sales for the detailed kind-of-business level. Because of the revision to the 1983 sales estimates as described above, inventory estimates for 1983 have also been revised. Inventory estimates for aggregate levels were obtained by summation.

Note: The estimates of total inventory published in this report exclude last-in first-out (LIFO) reserve for firms which are on a LIFO basis. (The LIFO reserve is the difference between a given physical stock valued on a non-LIFO basis, for example, first-in first-out (FIFO), and that same physical stock valued at LIFO (i.e., non-LIFO value minus LIFO value)). In the annual trade survey, sampling units which used a LIFO cost basis for part or all of their inventory were also asked to report LIFO reserve. Estimates of inventory (including reserve) were developed from the summation of weighted data reported by the sampling units. Estimates of LIFO reserve were then developed and subtracted from the inventory (including reserve) estimates to yield the published inventory estimates.

Gross Margin

The gross margin data represents sales less cost of goods sold (see Definition of Terms) and is developed from the summation of weighted data of sales, inventories, and purchases reported by the sampling units in the Annual Trade Survey. All the data used to develop gross margin have been adjusted to the 1982 Census of Wholesale Trade.

RELIABILITY OF DATA

Because the estimates were based on a sample, exact agreement with the results that would be obtained from a complete census of wholesale trade using the same enumeration procedure was not expected. However, because every merchant wholesaler in the United States had a chance of being selected for the sample and because the probability of selection for each merchant wholesaler in the sample was known, it was possible to approximate the sampling variability of the estimates made from the sample.

The standard error of the estimate is a measure of the variability among the estimates from all possible samples of the same size and design and, thus, is a measure of the precision with which an estimate from a particular sample approximates the results of a complete enumeration. The coefficient of variation (expressed as a percent) is the standard error of the estimate times 100 percent divided by the value being estimated. Note that measures of sampling variability, such as the standard error or coefficient of variation, are estimates derived from the sample and are also subject to sampling variability. Coefficients of variation for sales and inventory estimates are shown in table 7. Coefficients of variation for sales/inventory ratios have not been computed but, in general, are expected to be less than those for sales estimates.

The coefficients of variation presented in table 7 permit certain confidence statements about the sample estimates. The particular sample used in this survey was one of a larger number of samples of the same size that could have been selected using the same design.

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In about two out of three of these samples, the estimates would differ from a complete enumeration by less than the corresponding percentage for that estimate shown in the sampling variability table. In about 19 out of 20 of these samples, the estimates would differ from the results of a complete enumeration by less than twice the percentages shown.

To illustrate the computations involved in the above confidence statements as related to dollar volume sales estimates, assume that an estimate of sales published in table 1 is $10,750 million for a particular year and that the coefficient of variation for this estimate, as given in table 7 is 1.8 percent, or 0.018. Multiplying $10,750 million by 0.018 yields $194 million. Therefore, a 67-percent confidence interval is $10,556 million to $10,944 million ($10,750 million plus or minus $194 million). If corresponding confidence intervals were constructed for all possible samples of the same size and design, approximately 2 out of 3 (67 percent) of the intervals would contain the figure obtained from a complete enumeration. Similarly, a 95-percent confidence interval is $10,362 million to $11,138 million ($10,750 million plus or minus $388 million).

The coefficients of variation shown in this report do not measure biases which might arise from differences of response or nonreporting. Dollar value nonresponse amounted to about 13 percent for sales, 11 percent for inventories, and 16 percent for purchases.

CLASSIFICATION DIFFERENCES BETWEEN MONTHLY AND ANNUAL TRADE SURVEYS AND 1982 CENSUS OF WHOLESALE TRADE

For SIC 505, the monthly and annual trade surveys included merchant wholesalers as well as sales branches of ferrous metals service centers with inventories. Therefore, the 1982 census sales estimates used in this report included the receipts of merchant wholesalers and sales branches of ferrous metals service centers with inventories.

Establishments classified in the Farm-Product Raw Materials group (SIC 515) included as sales, products purchased and transferred to other company establishments. In the monthly and annual surveys, intercompany transfers are not included in sales. Because of the differences, sales for this SIC are obtained from the annual trade surveys.

Inventories were not benchmarked to the census inventory levels since the census of wholesale trade does not include inventories of auxiliary and central administrative offices of merchant wholesale establishments which are included in the monthly survey. The inventory estimates were computed by multiplying the annual inventory estimates by the ratio of 1982 census sales to 1982 annual sales.

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Appendix B. Kind-of-Business Classifications

The durable goods group includes establishments primarily engaged in the distribution of goods classified in SIC major group 50. This group includes establishments classified in SIC groups 501 through 509 as shown below.

The nondurable goods group includes establishments primarily engaged in the distribution of goods classified in SIC major group 51. This group includes establishments classified in SIC groups 511 through 519 as shown below.

For a further description of the kinds of business included in the major groups, see the 1972 SIC Manual and the 1977 Supplement.

SIC	KIND-OF-BUSINESS TITLE
	Durable Goods
501	**Motor Vehicles and Automotive Parts and Supplies**
	Automobiles and other motor vehicles
	Automotive parts and supplies
	Tires and tubes
502	**Furniture and Home Furnishings**
	Furniture
	Home furnishings
503	**Lumber and Other Construction Materials**
	Lumber, plywood, and millwork
	Construction materials, n.e.c.
504	**Sporting, Recreational, Photographic, and Hobby Goods, Toys, and Supplies**
	Sporting and recreational goods and supplies
	Toys and hobby goods and supplies
	Photographic equipment and supplies
505	**Metals and Minerals, Except Petroleum**
	Metals service centers and offices
	Coal and other minerals and ores
506	**Electrical Goods**
	Electrical apparatus and equipment
	Electrical appliances and TV and radio sets
	Electronic parts and equipment
	Durable Goods—Continued
507	**Hardware, Plumbing and Heating Equipment, and Supplies**
	Hardware
	Plumbing and heating equipment and supplies (hydronics)
	Warm air heating and air conditioning equipment and supplies
	Refrigeration equipment and supplies
508	**Machinery, Equipment, and Supplies**
	Commercial machines and equipment
	Construction and mining machinery and equipment
	Farm and garden machinery and equipment
	Industrial machinery and equipment
	Industrial supplies
	Professional equipment and supplies
	Service establishment equipment and supplies
	Transportation equipment and supplies, except motor vehicles
509	**Miscellaneous Durable Goods**
	Scrap and waste materials
	Jewelry, watches, diamonds, and other precious stones
	Durable goods, n.e.c.
	Nondurable Goods
511	**Paper and Paper Products**
	Printing and writing paper
	Stationery supplies
	Industrial and personal service paper

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SIC	KIND-OF-BUSINESS TITLE
	Nondurable Goods—Continued
512	**Drugs, Drug Proprietaries, and Druggists' Sundries[1]**
	Drugs, drug proprietaries, and druggists' sundries
513	**Apparel, Piece Goods, and Notions**
	Piece goods (woven fabrics)
	Notions and other dry goods
	Men's and boys' clothing and furnishings
	Women's, children's, and infants' clothing and accessories
	Footwear
514	**Groceries and Related Products**
	Groceries, general line
	Frozen foods
	Dairy products
	Poultry and poultry products
	Confectionery
	Fish and seafoods
	Meat and meat products
	Fresh fruits and vegetables
	Groceries and related products, n.e.c.
	Nondurable Goods—Continued
515	**Farm-Product Raw Materials**
	Cotton
	Grain
	Livestock
	Farm-product raw materials, n.e.c.
516	**Chemicals and Allied Products[1]**
	Chemicals and Allied Products
517	**Petroleum and Petroleum Products[2]**
	Petroleum bulk stations and terminals
	Petroleum and petroleum products, except bulk stations and terminals
518	**Beer, Wines, and Distilled Alcoholic Beverages**
	Beer and ale
	Wines and distilled alcoholic beverages
519	**Miscellaneous Nondurable Goods**
	Farm supplies
	Tobacco and tobacco products
	Paints, varnishes, and supplies
	Nondurable goods, n.e.c.

[1]Inventory data for this SIC are not shown separately but are included in the aggregate totals.

[2]Sales and inventory data for this SIC are not shown separately but are included in the aggregate totals.

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Appendix C. Report Form

PENALTY FOR FAILURE TO REPORT
DUE DATE: 20 DAYS AFTER RECEIPT OF FORM

OMB No. 0607-0195 Approval Expires September 30, 1986

FORM B-450
(8-9-84)

U.S. DEPARTMENT OF COMMERCE
BUREAU OF THE CENSUS

ANNUAL TRADE SURVEY 1984

PLEASE READ ALL ACCOMPANYING INSTRUCTIONS

NOTICE – Response to this inquiry is **required by law (title 13, U.S. Code).** By the same law, your report to the Census Bureau is **confidential.** It may be seen only by sworn Census employees and may be used only for statistical purposes. The law also provides that copies retained in your files are **immune from legal process.**

In correspondence pertaining to this report, please refer to this Census File Number

100 **CENSUS USE** 1 ☐ M 2 ☐ T

(Please correct errors in name, address, and ZIP code. ENTER street and number if not shown)

Please complete and return this form in the enclosed preaddressed envelope to the Bureau of the Census, Jeffersonville, Indiana 47132 within **20 days** after you receive it. **PROMPT RETURN WILL RESULT IN CONSIDERABLE SAVINGS TO YOUR GOVERNMENT.**

GENERAL INSTRUCTIONS

Please read all instructions and complete all items in this report to avoid costly and time-consuming correspondence.

Report all values in dollars (omit cents).

Report data for calendar year 1984. If calendar year records are not available, data for fiscal years will be acceptable. Indicate in the appropriate items the period covered.

If book figures are not available, carefully prepared estimates for data items are acceptable for the statistical purposes of this survey. Be sure to complete every item. Enter "0" in items where appropriate.

This report should cover ALL domestic merchant wholesale establishments whose payroll was reported on the Employer's Quarterly Federal Tax Return, Treasury Form 941, **under the Employer Identification (EI) Number** shown in the address label (or as corrected in item 1A).

Data for auxiliary facilities operated under this EI Number primarily engaged in furnishing supporting services to your wholesale establishments (such as warehouses, garages, central administrative offices, and repair services), should also be included in this report.

PLEASE NOTE – For establishments sold or acquired during 1984, report data only for the period the establishments were operated by your firm.

Item 1A – EMPLOYER IDENTIFICATION NUMBER

Is the Employer Identification (EI) Number printed in the upper left of the address box the SAME as that used for this firm on its latest 1984 Employer's Quarterly Federal Tax Return, Treasury Form 941?

1 ☐ YES – *Skip to Item 1B*
2 ☐ NO – *Enter current EI Number* → ☐☐-☐☐☐☐☐☐☐

When did you start reporting payroll under this EI Number? . . . . . Month | Year 19__

Item 1B – ORGANIZATIONAL STATUS

Mark (X) the **ONE** box which best describes this firm during 1984.

1 ☐ Individual proprietorship
2 ☐ Partnership
4 ☐ Cooperative association
5 ☐ Governmental – *Specify*
6 ☐ Corporation
9 ☐ Other – *Specify*

Item 2 – NUMBER OF WHOLESALE ESTABLISHMENTS ON DECEMBER 31, 1984

Enter the total number of merchant wholesale establishments covered by the Employer Identification Number shown above. →

	1984 Number

Item 3 – DOLLAR VOLUME OF BUSINESS IN 1984

INCLUDE

- Cash and credit sales
- Retail sales made by wholesale establishments covered by this report
- Receipts from freight, installations, maintenance, repairs, alterations, storage, and other such services
- Excise taxes (such as those on gasoline, liquor, and tobacco) which are levied on the manufacturer and included in the cost of goods purchased by this firm
- Gross value of sales made on a commission basis for others
- Sales of goods which are shipped on this firm's orders directly to customers

EXCLUDE

- Foreign sales of goods that never enter the United States
- Taxes (sales, excise, and other) collected directly from customers and paid directly to a local, state, or federal tax agency (however, do include this in line 3b.)
- Transfers (billings) to other establishments in your company
- Nonoperating receipts (such as interest income, income from investments, and receipts from the rental or sale of real estate)
- Receipts from customers for carrying or other credit charges

DEDUCT

- Refunds and allowances for returned goods
- The actual value of rebates and discounts granted to the purchaser, even if granted as an increase in trade-in allowance

NOTE – Carefully prepared estimates are acceptable if book figures are not available.

	1984 Mil.	Thou.	Dol.
a. Sales and other operating receipts EXCLUDING sales (or other) taxes collected but INCLUDING the value of liquor and tobacco tax stamps — 002			
b. **Were sales (or other) taxes collected directly from customers and forwarded directly to taxing authorities?** — 003	1 ☐ YES 2 ☐ NO		
If "YES," report the amount of such taxes (DO NOT include taxes in line 3a above.) — 006			
c. **TOTAL SALES and other operating receipts including sales (or other) taxes** ***(Sum of lines 3a and 3b above)*** — 010			
d. If the sales reported on lines 3a through 3c are for a period other than **January 1 through December 31,** please enter the beginning and ending dates.	**From** Month — 011	Day	Year
	To Month — 014	Day	Year

CONTINUE ON REVERSE

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Item 4 – MERCHANDISE INVENTORIES ON DECEMBER 31, 1983–1984

Report cost or market value of all merchandise. If book figures are not available as of December 31, carefully prepared estimates of inventories for December 31, labeled "Est," OR book figures for the most recent date within 6 months of December 31, will be acceptable. **For inventories at LIFO cost, use the LIFO amount plus the LIFO reserve.**

INCLUDE

- All merchandise owned and held in the United States, including:
  1. Goods in transit in the United States
  2. Goods held in Foreign Trade Zones in the United States
  3. Goods held by others for sale on consignment

EXCLUDE

- Items such as fixtures, equipment, and supplies not held for resale
- Goods owned by others, such as those held on consignment
- Goods held outside the United States

a. TOTAL INVENTORIES

	1984			1983		
	Mil.	Thou.	Dol.	Mil.	Thou.	Dol.
030 / 040						

b. Date of inventories

Are the data reported in item 4a for a date other than December 31?

1 ☐ YES – *Enter the date that the data represent*

2 ☐ NO – *Go to item 5*

	Month	Day	Year	Month	Day	Year
032 / 042						

Item 5 – METHOD BY WHICH INVENTORY WAS VALUED

PLEASE READ THE ENCLOSED EXPLANATORY MATERIAL BEFORE COMPLETING ITEM 5

Using the inventory total as reported in item 4a, please indicate the dollar amount of that total according to the method or methods shown. It is important that the dollar breakdown apply to the inventory total reported in item 4a

- **Cost method** – Report on lines 5b through 5f
- **Market basis always used** – Report on line 5g
- **Lower of cost or market** – Report the dollar amount at cost on lines 5b through 5f and the dollar amount at market on line 5h

a. Does your firm value any inventory on a LIFO (last-in, first-out) basis? 045

2 ☐ NO – *Go to line 5c*

1 ☐ YES

If "YES," What year did your firm begin using the LIFO method? 19 _____ – *Continue with line 5b*

	1984			1983		
COST METHOD	Mil.	Thou.	Dol.	Mil.	Thou.	Dol.
b. Amount of inventories in item 4a subject to LIFO costing (includes LIFO reserve)	055			056		
(1) LIFO reserve – The LIFO reserve is the DIFFERENCE between a given physical stock valued on a non-LIFO basis, for example, FIFO, and that same physical stock valued at LIFO (i.e., non-LIFO value MINUS LIFO value)	053			054		
(2) LIFO value of inventories of item 5b (excludes LIFO reserve)	051			052		
c. FIFO (first-in, first-out)	057			058		
d. Average cost	059			060		
e. Specific cost	061			062		
f. Other	063			064		
MARKET METHOD g. Market always used for valuation	071			072		
h. Market used for valuation because market lower than cost	073			074		

Enter the cost method that was higher than market, for example, FIFO → Cost method used: 080 | 081

NOTE – The sum of item 5b(1) and 5b(2) should equal item 5b. The sum of items 5b through 5h should equal item 4a.

Item 6 – TOTAL PURCHASES OF MERCHANDISE IN 1984

Report total cost of all merchandise purchased for resale (net of returns, allowances, and trade and cash discounts) for which you took title in 1984 whether or not payment was made during the year. If possible, exclude purchases of containers, wrappings, packaging, and selling supplies.

INCLUDE

- Both raw and finished goods
- Cash and credit purchases
- Merchandise in transit to you for which you have taken title
- Deliveries of your merchandise to your warehouse(s) and store(s) but not deliveries from your warehouse(s) to your own store(s)
- Amounts allowed for trade-ins
- Freight, delivery, and other transportation costs
- Import duties (if paid separately)

EXCLUDE

- Expenditures for supplies or equipment purchased for your company's use
- Purchases of liquor and tobacco tax stamps
- Sales and other taxes collected directly from customers and paid directly to a local, state, or Federal agency

PURCHASES AT COST VALUE	1984		
	Mil.	Thou.	Dol.
090			

Remarks

Item 7 – CERTIFICATION – This report is substantially accurate and has been prepared in accordance with instructions.

Name of person to contact regarding this report *(Please print)*	Address *(Number and street, city, State, ZIP code)*	Telephone: Area code	Number	Extension

Signature of authorized person	Title	Date

FORM B-45 (5-5-84)

☆U.S. GOVERNMENT PRINTING OFFICE: 1985-461-093:10040

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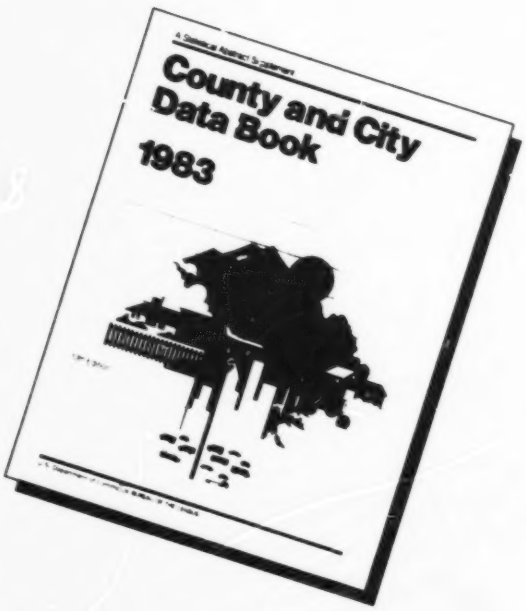
10th Edition



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Washington, D.C. 20233

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